GOVERNMENT OF INDIA
DEFENCE
LOK SABHA

UNSTARRED QUESTION NO:1667
ANSWERED ON:25.11.2016
Increase in Offset Threshold Limit
Agrawal Shri Rajendra

Will the Minister of DEFENCE be pleased to state:

(a) whether the offset threshold limit has been increased form Rs.300 crore to Rs.2000 crore in the Defence Procurement Procedure 2016;

(b) if so, the details thereof and the reasons therefor;

(c) whether the change in limit is likely to have a negative impact on indigenous enterprises and local manufacturers;

(d) if so, the details thereof; and

(e) the corrective measures taken by the Government in this regard?

Answer

MINISTER OF STATE (DR. SUBHASH BHAMRE)
IN THE MINISTRY OF DEFENCE
????? ????? ?????? (??. ????? ?????)

(a) Yes, Madam.

(b) to (e): Government has taken a number of measures to give an impetus to indigenisation and domestic manufacturing in the defence sector. The measures include, inter alia, according of higher priority to sourcing of defence equipment from Indian vendors under Buy (Indian-IDDM) and Buy (Indian) categories under the Defence Procurement Procedure, as compared to sourcing from foreign vendors. These measures will yield significant opportunities for the involvement of Indian Industry in the defence manufacturing sector.
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